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March 29, 1999

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE OR LATE FILED

Memorandum of Ex Parte Communication

Ms. Magalie Salas
Secretary
Federal Communications Commission
445 12th Street, S. W.
Street Lobby – TW A235
Washington, D.C. 20554

Dear Ms. Salas:

Re: CC Docket No. 96 - 45 - Universal Service
CC Docket No. 97 - 160 - *Forward-Looking Mechanism for Non-Rural LECs*

On Friday, March 26, 1999, Mr. Dale Robertson, Senior Vice President – FCC for SBC Telecommunications, Inc. ("SBC") and Mr. William Bailey, Southwestern Bell Telephone's Executive Director for Regulatory and Industry Relations met with Ms. Martha Hogerty, Missouri Public Counsel and member of the Federal-State Joint Board on Universal Service, regarding Universal Service and discussed the above-listed proceedings. A service-specific analysis of the costs and revenues impacting the provision of universal service Missouri was presented. The attached materials representing service-specific costs and revenues by exchange location were distributed during the meeting.

We are submitting the original and one copy of this Memorandum to the Secretary in accordance with Section 1.1206(b)(2) of the Commission's rules. Please stamp and return the provided copy to confirm your receipt. Please contact me at (202) 326-8889 should you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "Jay Bennett".
cc (w/o attachments): Martha Hogerty

No. of Copies rec'd 04
List A B C D E

SBC Universal Service Study
Residence Monthly Per Line Revenues and Operating Costs

Report 1
December 14, 1998

Missouri	Universal Service					Vertical Service		Intrastate Toll		Intrastate Switched Access		Interstate Switched Access		
	Residence Lines	Revenue		Cost								Switching and Transport		CCL Revenue
		Thru-State	Inter-State	Intrastate	Interstate	Revenue	Cost	Revenue	Cost	Revenue	Cost	Revenue	Cost	
Wire Center	A	B	C	D	E	F	G	H	I	J	K	L	M	N
Kansas City	9,238	\$15.92	\$3.59	\$23.08	\$4.53	\$8.13	\$0.51	\$1.02	\$1.99	\$9.82	\$0.45	\$12.24	\$3.17	\$3.75
St. Louis	15,439	\$20.59	\$3.47	\$31.43	\$6.35	\$6.10	\$0.51	\$1.78	\$2.73	\$2.15	\$0.62	\$6.23	\$4.34	\$2.31
Rural	1,683	\$13.69	\$3.54	\$58.40	\$16.05	\$4.61	\$0.51	\$9.61	\$5.37	\$3.41	\$1.22	\$2.85	\$8.54	\$1.01

**SBC Universal Service Study
Residence Annual Revenues and Operating Costs**

**Report 2
December 14, 1998**

Missouri	Universal Service				Vertical Service		Intrastate Toll		Intrastate Switched Access		Interstate Switched Access		
	Revenue		Cost										
Wire Center	Report 1: A * D * 12	Report 1: A * E * 12	Intrastate	Interstate	Revenue	Cost	Revenue	Cost	Revenue	Cost	Revenue	Cost	Other Revenue
	Report 1: A * D * 12	Report 1: A * E * 12	Report 1: A * D * 12	Report 1: A * E * 12	Report 1: A * H * 12	Report 1: A * G * 12	Report 1: A * H * 12	Report 1: A * I * 12	Report 1: A * J * 12	Report 1: A * K * 12	Report 1: A * L * 12	Report 1: A * M * 12	Report 1: A * N * 12
	C	D	E	F	G	H	I	J	K	L	M	N	
Kansas City	\$1,764,539	\$398,510	\$2,558,373	\$502,672	\$900,865	\$56,369	\$112,985	\$220,819	\$1,088,501	\$50,328	\$1,356,550	\$351,272	\$415,942
St. Louis	\$3,814,509	\$643,734	\$5,822,088	\$1,176,677	\$1,129,723	\$94,206	\$330,554	\$504,881	\$398,825	\$115,070	\$1,154,832	\$803,148	\$427,591
Rural	\$276,397	\$71,579	\$1,179,366	\$324,180	\$93,046	\$10,269	\$194,047	\$108,464	\$68,808	\$24,720	\$57,599	\$172,540	\$20,379
State Totals	\$313,210,747	\$70,086,180	\$525,341,462	\$121,966,559	\$126,558,654	\$10,068,509	\$56,993,720	\$46,695,844	\$49,357,577	\$10,642,659	\$72,730,329	\$74,282,229	\$26,649,892

SBC Universal Service Study
Residence Monthly Per Line Operating Margin

Report 3
December 4 1998

Missouri	Residence Universal Service										Vertical Service Gross Margin per Line	Intrastate Toll Gross Margin per Line	Intrastate Switched Access Gross Margin per Line	Interstate Switching and Transport Margin per Line	Interstate CCL Revenue per Line	Total Residence Operating Margin per Line
	Residence Lines	Intrastate Monthly Universal Service Cost/Revenue Calculations			Intrastate Monthly Universal Service Cost/Revenue Calculations			Intrastate Monthly Universal Service Cost/Revenue Calculations								
Average Cost per Line		Average Revenue per Line	Intrastate Gross Margin per Line	Average Cost per Line	Average Revenue per Line	Intrastate Gross Margin per Line	Average Cost per Line	Average Revenue per Line	Intrastate Gross Margin per Line							
Report 1: D		Report 1: B	F - E	Report 1: D	Report 1: B	F - E	Report 1: D	Report 1: B	F - E							
Wire Center	A	E	F	G	H	I	J	K	L	M	N	O	P			
Kansas City	9,238	\$27.61	\$19.51	(\$8.10)	\$ 23.08	\$ 15.92	(\$7.16)	\$ 4.53	\$ 3.59	(\$0.94)	\$ 7.62	(\$0.00)	\$9.37	\$9.07	\$ 3.75	\$20.73
St. Louis	15,439	\$37.78	\$24.06	(\$13.72)	\$ 31.43	\$ 20.59	(\$10.84)	\$ 6.35	\$ 3.47	(\$2.88)	\$ 5.59	(\$0.00)	\$1.53	\$1.90	\$ 2.31	\$11.10
Rural	1,683	\$74.45	\$17.23	(\$57.22)	\$ 58.40	\$ 13.69	(\$44.71)	\$ 16.05	\$ 3.54	(\$12.51)	\$ 4.10	\$4.24	\$2.18	(\$0.00)	\$ 1.01	(\$11.10)

**SBC Universal Service Study
Residence Annual Operating Margin**

**Report 4
December 14, 1998**

Missouri			Universal Service								
Wire Center	Residence Lines	Total Lines	Telephone Service Margin	Payphone Service Margin	Rural Switching and Transport Margin	Vertical Service Gross Margin	Intrastate Toll Gross Margin	Intrastate Switched Access Gross Margin	Interstate Switching and Transport Margin	Interstate CCL Revenue	Total Telephone Operating Margin
			A * (Report 3: K) * 12 months	A * (Report 3: L) * 12 months	A * (Report 3: M) * 12 months	A * (Report 3: K) * 12 months	A * (Report 3: L) * 12 months	A * (Report 3: M) * 12 months	A * (Report 3: N) * 12 months	Report 2: M	Report 3: M
	A	B	C	D	E	F	G	H	I	J	K
Kansas City	9,238	68,816	(\$703,834)	(\$104,161)	(\$267,000)	\$844,496	(\$1,173,014)	\$1,038,174	\$1,005,278	\$415,942	\$2,298,060
St. Louis	15,439	24,529	(\$1,607,129)	(\$302,040)	(\$1,240,512)	\$1,035,517	(\$1,043,014)	\$283,756	\$351,684	\$427,591	(\$1,144,446)
Rural	1,683	1,956	(\$632,900)	(\$62,601)	(\$111,011)	\$82,776	\$85,584	\$44,088	(\$114,941)	\$20,379	(\$643,105)
State Totals	1,650,086	2,386,813	(\$212,136,714)	(\$51,880,379)	(\$284,011,043)	\$116,490,145	\$10,297,876	\$38,714,918	(\$1,551,900)	\$26,649,892	(\$71,418,162)

SBC Universal Service Study
Business Monthly Per Line Revenues and Operating Costs

Report 5
December 14, 1998

Missouri	Missouri					Vertical Service		Intrastate Toll		Intrastate Switched Access		Interstate Switched Access		
	Business Lines	Revenue		Cost								Switching and Transport	CCL Revenue	
		Intrastate	Interstate	Intrastate	Interstate	Revenue	Cost	Revenue	Cost	Revenue	Cost			Revenue
Wire Center	A	B	C	D	E	F	G	H	I	J	K	L	M	N
Kansas City	59,578	\$39.03	\$5.62	\$23.08	\$4.53	\$3.65	\$0.51	\$0.55	\$1.99	\$5.31	\$0.45	\$6.61	\$3.17	\$2.03
St. Louis	9,090	\$55.18	\$5.65	\$31.43	\$6.35	\$4.16	\$0.51	\$2.21	\$2.73	\$2.67	\$0.62	\$7.74	\$4.34	\$2.86
Rural	273	\$27.25	\$4.93	\$58.40	\$16.05	\$2.00	\$0.51	\$8.91	\$5.37	\$3.16	\$1.22	\$2.64	\$8.54	\$0.94

This information has been obtained from confidential company data and has been formatted to maintain its confidentiality.

SBC Universal Service Study
Business Annual Revenues and Operating Costs

Report 6
December 14, 1998

Missouri	Universal Service				Vertical Service		Intrastate Toll		Intrastate Switched Access		Interstate Switched Access		
			Cost								Switching and Transport		
			Intrastate	Interstate								Cost	
Wire Center			Report 5: A * D * 12	Report 5: A * E * 12		Report 5: A * G * 12		Report 5: A * I * 12		Report 5: A * K * 12		Report 5: A * L * 12	Report 5: A * M * 12
				C	D		F		H		J		L
Kansas City	\$27,907,413	\$4,019,444	\$16,499,540	\$3,241,845	\$2,611,210	\$363,534	\$393,732	\$1,424,114	\$3,793,215	\$324,576	\$4,727,311	\$2,265,435	\$1,449,478
St. Louis	\$6,018,779	\$616,366	\$3,427,863	\$692,791	\$454,101	\$55,465	\$241,564	\$297,258	\$291,455	\$67,749	\$843,934	\$472,868	\$312,477
Rural	\$89,265	\$16,162	\$191,305	\$52,585	\$6,559	\$1,666	\$29,178	\$17,594	\$10,346	\$4,010	\$8,661	\$27,988	\$3,064
State Totals	\$344,770,360	\$49,292,292	\$222,295,412	\$49,109,202	\$29,128,307	\$4,495,367	\$20,695,045	\$19,578,728	\$24,715,998	\$4,462,276	\$38,943,675	\$31,145,203	\$13,673,783

SBC Universal Service Study
Business Monthly Per Line Operating Margin

Report 7
December 14, 1998

Missouri	Business Universal Service										Vertical Service Gross Margin per Line	Intrastate Toll Gross Margin per Line	Intrastate Switched Access Gross Margin per Line	Interstate Switching and Transport Margin per Line	Interstate CCL Revenue per Line	Report 5: O - P Revenue per Line
	Business Lines	Report 5: D - F Intrastate Monthly Universal Service Cost/Revenue Calculations			Report 5: G - I Intrastate Monthly Universal Service Cost/Revenue Calculations											
		Report 5: D Average Cost per Line	Report 5: E Average Revenue per Line	Report 5: F Intrastate Gross Margin per Line	Report 5: G Average Cost per Line	Report 5: H Average Revenue per Line	Report 5: I Intrastate Gross Margin per Line									
								Report 5: D	Report 5: E	F - E						
Wire Center	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Kansas City	59,578	\$27.61	\$44.66	\$17.04	\$23.08	\$39.03	\$15.96	\$4.53	\$5.62	\$1.09	\$3.14	(\$1.44)	\$4.85	\$3.44	\$2.03	\$29.07
St. Louis	9,090	\$37.78	\$60.83	\$23.05	\$31.43	\$55.18	\$23.75	\$6.35	\$5.65	(\$0.70)	\$3.65	(\$0.51)	\$2.05	\$3.40	\$2.86	\$34.51
Rural	273	\$74.45	\$32.18	(\$42.27)	\$58.40	\$27.25	(\$31.15)	\$16.05	\$4.93	(\$11.12)	\$1.49	\$3.54	\$1.93	(\$0.45)	\$0.94	(\$14.02)

**SBC Universal Service Study
Business Annual Operating Margin**

**Report 8
December 14, 1998**

Missouri			Operating Margin			Vertical Service Gross Margin	Intrastate Toll Gross Margin	Intrastate Switched Access Gross Margin	Interstate Switching and Transport Margin	Interstate CCL Revenue	Other Revenue
Wire Center	Business Lines	Total Lines	Operating Margin	Operating Margin	Operating Margin						
						A * (Report 7: K) * 12 months	A * (Report 7: L) * 12 months	A * (Report 7: M) * 12 months	A * (Report 7: N) * 12 months	Report 6 : M	
						F	G	H	I	J	
Kansas City	59,578	68,816	\$11,407,873	\$777,599	\$12,185,473	\$2,247,677	\$1,123,839	\$3,468,639	\$2,461,877	\$1,449,478	\$20,782,760
St. Louis	9,090	24,529	\$2,590,916	\$126,495	\$2,514,491	\$398,635	\$127,600	\$223,706	\$371,066	\$312,477	\$3,764,681
Rural	273	1,956	\$192,040	(\$8,124)	\$183,916	\$4,893	\$11,584	\$6,336	(\$19,377)	\$3,064	(\$1,117,000)
State Totals	736,727	2,386,813	\$122,474,948	\$183,091	\$122,658,039	\$24,632,940	\$1,116,317	\$20,253,723	\$7,798,472	\$13,673,783	\$190,133,274

SBC Universal Service Study
Total Office Annual Switched Operating Margin

Report 9
December 14, 1998

Missouri	Residence			Business			Total Wire Center Switched Operating Margin
Wire Center	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	
	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	
	D	E	F	D	E	F	
Kansas City	(\$897,996)	\$3,196,056	\$2,298,060	\$12,185,473	\$8,597,288	\$20,782,760	\$23,080,821
St. Louis	(\$2,540,522)	\$1,924,222	(\$616,300)	\$2,514,491	\$1,250,190	\$3,764,681	\$3,148,381
Rural	(\$1,155,570)	\$117,886	(\$1,037,685)	(\$138,464)	\$6,551	(\$131,913)	(\$119,190)
State Totals	(\$264,011,093)	\$190,600,931	(\$73,410,162)	\$122,658,039	\$67,475,235	\$190,133,274	\$116,723,112

SBC Universal Service Study
Missouri Annual Summary

Report 10
December 14, 1998

Residence						
<i>Total Universal Service Revenue</i>	<i>Total Universal Service Cost</i>	<i>Total Universal Service Gross Margin</i>	<i>Total Vertical Services, Toll and Access Revenue</i>	<i>Total Vertical Services, Toll and Access Cost</i>	<i>Total Contribution from Vertical Services, Toll, and Access</i>	<i>Total Residence Operating Margin</i>
<i>Report 2: Total A + B</i>	<i>Report 2: Total C + D</i>	<i>Report 4: Total E</i>	<i>Report 2: Total E + G + I + K + M</i>	<i>Report 2: Total F + H + J + L</i>	<i>Report 4: Total F + G + H + I + J</i>	<i>Report 4: Total K</i>
<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>	<i>F</i>	<i>G</i>
\$383,296,927	\$647,308,021	(\$264,011,093)	\$332,290,173	\$141,689,241	\$190,600,931	(\$73,410,162)

Business						
<i>Total Universal Service Revenue</i>	<i>Total Universal Service Cost</i>	<i>Total Universal Service Gross Margin</i>	<i>Total Vertical Services, Toll and Access Revenue</i>	<i>Total Vertical Services, Toll and Access Cost</i>	<i>Total Contribution from Vertical Services, Toll, and Access</i>	<i>Total Business Operating Margin</i>
<i>Report 6: Total A + B</i>	<i>Report 6: Total C + D</i>	<i>Report 8: Total E</i>	<i>Report 6: Total E + G + I + K + M</i>	<i>Report 6: Total F + H + J + L</i>	<i>Report 8: Total F + G + H + I + J</i>	<i>Report 8: Total K</i>
<i>H</i>	<i>I</i>	<i>J</i>	<i>K</i>	<i>L</i>	<i>M</i>	<i>N</i>
\$394,062,652	\$271,404,613	\$122,658,039	\$127,156,809	\$59,681,573	\$67,475,235	\$190,133,274

Total				
<i>Total Explicit Universal Service Funding</i>	<i>Miscellaneous Services, e.g., Directory, Cellular Interconnection, etc., Contributing to Universal Service</i>	<i>Total Switched Operating Revenues</i>	<i>Total Switched Operating Costs</i>	<i>Total Switched Margin</i>
<i>O</i>	<i>P</i>	<i>A + D + H + K + O + P</i>	<i>B + E + I + L</i>	<i>Q - R</i>
<i>Q</i>		<i>R</i>		<i>S</i>
\$0	\$56,176,455	\$1,292,983,016	\$1,120,083,449	\$172,899,567

This information has been obtained from confidential company data and has been formatted to maintain its confidentiality.

SBC Universal Service Study Missouri Reconciliation

Line 1. I/S - Total Missouri Operating Revenue (General Ledger, "5000" Accounts)	\$ 1,699,091,766
a. Less exclusions	
Inter/Intrastate Special Access (Various Rev. Accts. From MR4a)	\$ 103,461,768
Inter/Intrastate Private Line (Various Rev. Accts. From MR4a)	\$ 42,356,766
Other Operating Revs (Accts. 5250, 5262, 5264.29W)	\$ 10,226,319
Non-Regulated (Acct. 5280)	\$ 181,194,413
Intrastate Access Expense net against Toll Revs. (Acct. 6540)	\$ 66,523,706
Rent Revenues included in Expenses (Acct. 5240)	\$ 4,653,523
SNFA & Miscellaneous (SACAS, Study Model)	\$ 4,917,144
Uncollectible for services not included in study	\$ (7,224,889)
b. I/S - Total Missouri Switched Operating Revenues (Line 1 - Line 1a)	\$ 1,292,983,016
c. Study - Total Missouri Switched Revenues (Report 10, Column P)	\$ 1,292,983,016
d. Difference between I/S & Study (Line 1b - 1c)	\$ (0)
 Line 2. I/S - Total Missouri Operating Expenses (General Ledger, "6000" Accounts)	 \$ (1,286,141,783)
a. Less exclusions	
Inter/Intrastate Special Access & Private Line (SACAS, Study Model)	\$ (110,743,329)
Non-Regulated & SNFA (SACAS)	\$ (143,942,794)
Other Income & Expense (Accts. 7110, 7150, 7160)	\$ -
Intrastate Access Expense net against Toll Revs. (Acct. 6540)	\$ (66,523,706)
b. Plus inclusions	
Contributions (Acct. 7370.2)	\$ (4,593,102)
Rent Revenues included in Expenses (Acct. 5240)	\$ 4,653,523
c. I/S - Total Missouri Switched Operating Expenses (Line 2 - Line 2a + Line 2b)	\$ (964,871,533)
d. Study - Total Missouri Switched Operating Costs (Report 10, Column Q)	\$ (1,120,083,449)
e. I/S - Total Missouri Switched Operating Taxes (Total Missouri Switched Operating Tax Reconciliation @ Line 4d)	\$ (155,211,832)
f. Study - Total Missouri Switched Operating Expenses (Line 2d - Line 2e)	\$ (964,871,617)
g. Difference Between I/S & Study ** (Line 2c - Line 2f)	\$ 84

SBC Universal Service Study Missouri Reconciliation

Line 3. Missouri Switched Net Income

a. I/S ADJUSTED NET INCOME (Line 1b + Line 2c + Line 2e)	\$ 172,899,651
b. STUDY NET INCOME (Line 1c + Line 2d)	\$ 172,899,567
c. Difference between I/S & Study *** (Line 3a - Line 3b)	\$ 84

Line 4. Total Missouri Switched Operating Tax Reconciliation

a. TUAR - Total Missouri Operating Tax Expense (General Ledger, "7200" Accounts)	\$ (180,817,247)
b. Less exclusions - Other Operating Taxes	
Inter/Intrastate Special Access & Private Line (SACAS, Study Model)	\$ (11,297,785)
Non-Regulated & SNFA (SACAS)	\$ (4,626,108)
c. Less exclusions - Federal Income Taxes	
Inter/Intrastate Special Access & Private Line (SACAS, Study Model)	\$ (9,952,522)
Non-Regulated & SNFA (SACAS)	\$ (16,951,048)
Booked Deferred FIT (Acct. 7250)	\$ 17,222,048
d. TUAR - Total Missouri Switched Operating Taxes (Line 4a - Line 4b - Line 4c)	\$ (155,211,832)

* I/S = Income Statement (MR10I) of Southwestern Bell Telephone Co. for the State of Missouri for the year ending December 31, 1997

** Difference is due to operating cost rounding in the study model

*** Difference is attributable to differences identified @ Line 1d & Line 2g

SBC Universal Service Study
Total Office Annual Switched Operating Margin

Report 9
December 14, 1998

Missouri	Residence			Business			Total Wire Center Switched Operating Margin
Wire Center	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Residence Operating Margin	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	
	Report 7 : D	Report 7 : G + H + I + J	Report 7 : E	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	C + F
	D	E	C	D	E	F	G
1		\$116,132			\$7,285		
2		\$117,886			\$6,551		
3		\$19,059					
4		\$83,702		\$86,084	\$4,644	\$90,729	
5		\$15,643			\$3,110		
6					\$568		
7							
8		\$16,555		\$7,502	\$10,194	\$17,697	
9		\$59,925			\$938		
10		\$158,916			\$6,409		
11		\$164,207			\$18,236		
12		\$45,206		\$19,635	\$3,994	\$23,629	
13		\$2,432,003		\$1,508,514	\$309,875	\$1,818,389	\$1,787,630
14		\$196,155			\$7,448		
15		\$592,651			\$85,569	\$17,536	
16		\$489,966			\$211,610	\$62,631	
17		\$324,072			\$126,239	\$103,297	
18		\$215,567			\$17,665	\$1,950	
19		\$122,408			\$22,789		
20		\$286,611			\$80,938		
21		\$136,922		\$39,638	\$1,848	\$41,486	
22		\$81,150			\$21,240	\$14,415	
23		\$1,924,222		\$2,514,491	\$1,250,190	\$3,764,681	\$3,148,381
24		\$230,093		\$4,953	\$26,859	\$31,812	\$14,893
25		\$825,747	\$160,781	\$174,145	\$312,959	\$487,104	\$647,884
26		\$523,838	\$121,891		\$62,375	\$45,729	\$167,619
27							
28					\$8,799		
29		\$65,337			\$23,613		
30							
31		\$195,444			\$26,253	\$17,411	
32		\$459,232			\$200,865		
33		\$30,678			\$34,626	\$17,190	

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SBC Universal Service Study
Total Office Annual Switched Operating Margin

Report 9
December 14, 1998

Missouri	Residence			Business			Total Wire Center Switched Operating Margin
Wire Center	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Residence Operating Margin	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	
	Report 8 : E	Report 8 : F+G+H+I+J	Report 8 : K	Report 8 : E	Report 8 : F+G+H+I+J	Report 8 : K	C+I
	A	B	C	D	E	F	G
34		\$15,660			\$3,798		
35		\$2,956,738		\$430,379	\$1,029,580	\$1,459,959	\$1,333,093
36		\$143,645		\$10,400	\$19,139	\$29,539	
37		\$973,133			\$354,042	\$182,957	
38		\$213,499			\$40,358		
39		\$467,241	\$130,677	\$64,561	\$161,944	\$226,505	\$357,182
40		\$46,260			\$1,854		
41		\$436,253			\$32,791		
42		\$19,107			\$3,930		
43		\$8,301					
44		\$495,600			\$132,622	\$95,201	
45		\$99,072			\$29,184		
46		\$351,517			\$88,293		
47		\$189,429			\$18,538		
48		\$289,177			\$31,855		
49		\$45,595			\$2,797		
50		\$283,619		\$451,003	\$78,243	\$529,245	\$260,197
51		\$451,739		\$323,517	\$58,183	\$381,701	\$224,983
52					\$2,152		
53		\$48,666			\$2,047		
54		\$846,548		\$87,734	\$214,925	\$302,659	
55		\$942,705			\$267,924		
56		\$1,454,826	\$601,658	\$2,087,699	\$434,616	\$2,522,315	\$3,123,973
57					\$1,903		
58							
59		\$39,407					
60		\$1,157,003			\$459,040	\$319,037	
61		\$393,122			\$38,500		
62		\$801,686		\$333,057	\$247,751	\$580,809	
63		\$27,289					
64		\$155,777			\$18,919	\$4,463	
65		\$31,762			\$7,852		

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SBC Universal Service Study
Total Office Annual Switched Operating Margin

Report 9
December 14, 1998

Missouri	Residence			Business			Total Wire Center Switched Operating Margin
Wire Center	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Residence Operating Margin	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	
	Report 4 : D	Report 4 : E + F + G + H + I + J	Report 4 : K	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	Report 8 : L
	A	B	C	D	E	F	G
66					\$18,599		
67		\$447,030		\$105,194	\$70,567	\$175,760	\$56,213
68		\$295,696			\$126,658	\$121,058	\$77,462
69		\$534,651	\$217,948	\$483,905	\$52,911	\$536,816	\$754,763
70		\$144,797		\$150,051	\$22,137	\$172,188	\$153,069
71					\$364		
72		\$184,666			\$74,098	\$64,437	
73		\$52,745					
74		\$1,088,154			\$484,067	\$456,078	
75		\$62,491			\$6,573		
76		\$92,457			\$60,112		
77							
78	\$1,299,657	\$3,821,956	\$5,121,613	\$3,852,717	\$819,512	\$4,672,229	\$9,793,841
79		\$675,666			\$83,920		
80		\$4,131,269		\$756,744	\$1,722,159	\$2,478,904	\$1,494,488
81		\$100,383			\$5,403		
82		\$1,581,715	\$472,320		\$343,870	\$163,733	\$636,053
83		\$688,665			\$106,808		
84		\$671,117		\$58,682	\$355,296	\$413,977	\$129,734
85		\$1,992,760	\$499,946	\$1,977,282	\$736,299	\$2,713,581	\$3,213,527
86		\$4,089,565	\$222,918	\$3,201,422	\$923,202	\$4,124,624	\$4,347,543
87		\$2,576,009	\$446,370	\$813,732	\$157,925	\$971,658	\$1,418,028
88		\$2,720,149	\$901,682	\$4,976,870	\$1,703,694	\$6,680,564	\$7,582,246
89		\$1,544,538		\$799,477	\$162,225	\$961,701	
90		\$2,984,202	\$153,884	\$2,094,396	\$374,170	\$2,468,566	\$2,622,450
91		\$2,460,187	\$425,365	\$2,376,795	\$160,142	\$2,536,937	\$2,962,301
92		\$2,930,872		\$1,982,423	\$552,737	\$2,535,159	\$1,314,982
93		\$2,380,695		\$1,757,626	\$285,941	\$2,043,566	\$1,682,808
94		\$3,419,359	\$552,327	\$1,746,416	\$293,526	\$2,039,942	\$2,592,269
95		\$1,000,611		\$297,704	\$26,271	\$323,975	
96		\$2,607,150		\$1,644,184	\$317,647	\$1,961,831	\$274,235
97		\$1,088,929		\$695,081	\$189,282	\$884,363	

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SBC Universal Service Study
Total Office Annual Switched Operating Margin

Report 9
December 14, 1998

Missouri	Residence			Business			Total Wire Center Switched Operating Margin
Wire Center	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Residence Operating Margin	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	
	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : E	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	C + F
	D	D	G	D	E	F	G
98		\$498,313		\$112,471		\$96,530	
99		\$1,095,358		\$1,150,893	\$292,456	\$1,443,349	\$88,188
100		\$1,284,695		\$1,118,823	\$307,299	\$1,426,121	
101		\$3,196,056	\$2,298,060	\$12,185,473	\$8,597,288	\$20,782,760	\$23,080,821
102		\$340,187			\$69,597		
103		\$82,789			\$2,840		
104		\$96,319			\$12,695		
105		\$196,998			\$8,020		
106		\$3,378			\$35,444		
107							
108		\$79,575			\$9,287		
109		\$56,489			\$15,570		
110		\$329,474			\$65,054		
111		\$1,334,587	\$203,211	\$144,737	\$374,086	\$518,823	\$722,034
112		\$21,616			\$2,707		
113		\$11,841			\$1,747		
114		\$903,602			\$435,159	\$357,177	
115		\$490,456			\$109,021	\$66,509	
116		\$3,924,767	\$2,256,921	\$3,610,049	\$924,043	\$4,534,092	\$6,791,013
117		\$572,393		\$127,349	\$256,705	\$384,054	\$255,778
118		\$208,091			\$24,730		
119		\$203,738			\$5,546		
120		\$69,869			\$744		
121		\$127,502		\$21,030	\$21,620	\$42,650	
122		\$1,009,148	\$78,162	\$130,129	\$216,856	\$346,985	\$425,147
123		\$57,425			\$37,387	\$175	
124		\$223,656			\$64,499		
125		\$1,934,622	\$549,804	\$1,378,377	\$244,230	\$1,622,607	\$2,172,411
126		\$816,494		\$3,858	\$316,225	\$320,083	
127		\$752,553		\$138,084	\$323,023	\$461,108	\$341,098
128		\$499,417		\$131,279	\$51,233	\$182,512	
129		\$19,026					

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SBC Universal Service Study
Total Office Annual Switched Operating Margin

Report 9
December 14, 1998

Missouri	Residence			Business			Total Wire Center Switched Operating Margin
Wire Center	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Residence Operating Margin	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	
	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	C + F
	D	E	C	D	E	F	G
130		\$195,609		\$2,881	\$41,082	\$43,964	
131		\$24,786					
132							
133		\$169,187			\$15,949	\$8,312	
134		\$341,536			\$180,065		
135		\$83,788					
136		\$446,477		\$300,741	\$122,402	\$423,143	\$254,331
137							
138		\$271,239			\$45,913	\$25,890	
139		\$869,286		\$539,342	\$104,699	\$644,041	\$342,457
140		\$1,823,410			\$581,563	\$532,998	
141		\$75,071			\$10,085		
142							
143		\$592,546			\$47,231		
144		\$111,075			\$13,561		
145		\$148,773			\$31,697	\$14,783	
146	\$66,243	\$375,698	\$441,941	\$245,107	\$55,746	\$300,853	\$742,794
147		\$10,121					
148		\$73,802			\$4,655		
149		\$327,916			\$81,772	\$68,103	
150		\$21,703			\$391		
151		\$20,152			\$3,432		
152		\$202,020		\$118,089	\$44,784	\$162,873	
153							
154							
155		\$344,713			\$15,860	\$3,025	
156		\$1,824,321			\$504,048	\$229,267	
157		\$94,531		\$5,486	\$12,151	\$17,637	
158		\$256,555			\$70,850		
159		\$2,025,719	\$791,078	\$260,722	\$577,038	\$837,759	\$1,628,837
160		\$128,180			\$54,095	\$27,321	
161					\$2,653		

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SBC Universal Service Study
Total Office Annual Switched Operating Margin

Report 9
December 14, 1998

Missouri	Residence			Business			Total Wire Center Switched Operating Margin
Wire Center	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Residence Operating Margin	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	
	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	C + D
	D	E	F	D	E	F	G
162							
163		\$44,218					
164	\$1,823,952	\$1,797,118	\$3,621,070				\$3,192,510
165							
166	\$2,120,003	\$2,105,348	\$4,225,352				\$2,485,127
167	\$3,596,979	\$880,271	\$4,477,249	\$2,467,829			\$6,945,079
168		\$98,724					
169	\$7,467	\$19,492	\$26,959				
170	\$630,507	\$906,482	\$1,536,989				\$1,322,520
171	\$2,730,185	\$4,723,997	\$7,454,182	\$1,738,504			\$9,192,686
172	\$2,466,300	\$208,997	\$2,675,297	\$5,428,212			\$8,103,509
173	\$1,630,684	\$323,470	\$1,954,154				\$1,569,401
174	\$1,310,952	\$487,519	\$1,798,472	\$1,077,604			\$2,876,075
175	\$3,033,210	\$2,647,892	\$5,681,102	\$5,080,956			\$10,762,058
176	\$3,022,876	\$837,602	\$3,860,478	\$235,441			\$4,095,919
177	\$4,588,815	\$2,102,792	\$6,691,607	\$2,326,818			\$9,018,425
178	\$2,979,819	\$734,414	\$3,714,233	\$3,066,656			\$6,780,888
179	\$862,273	\$117,394	\$979,667				\$29,149
180	\$1,066,694	\$147,032	\$1,213,727	\$357,286			\$1,571,013
181	\$8,326,636	\$3,888,153	\$12,214,789				\$11,560,819
182	\$2,088,274	\$589,634	\$2,677,907				\$1,942,987
183	\$3,694,870	\$1,258,315	\$4,953,185	\$2,447,333			\$7,400,518
184	\$701,184	\$166,308	\$867,492	\$2,813,554			\$3,681,046
185	\$2,157,746	\$601,812	\$2,759,557				\$2,072,581
186	\$3,485,007	\$942,610	\$4,427,617	\$1,210,030			\$5,637,647
187	\$6,793,839	\$3,216,086	\$10,009,925	\$700,150			\$10,710,075
188	\$2,006,482	\$420,630	\$2,427,111	\$423,784			\$2,850,896
189	\$3,591,493	\$1,370,148	\$4,961,641				\$3,388,533
190	\$4,260,024	\$1,900,711	\$6,160,735	\$392,927			\$6,553,662
191	\$1,999,703	\$1,040,014	\$3,039,717	\$826,183			\$3,324,266
192	\$945,001	\$325,431	\$1,270,431	\$1,277,604			\$2,548,036
193	\$316,690	\$35,619	\$352,309	\$70,085			\$396,434

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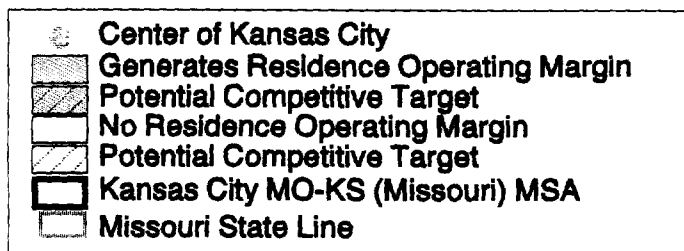
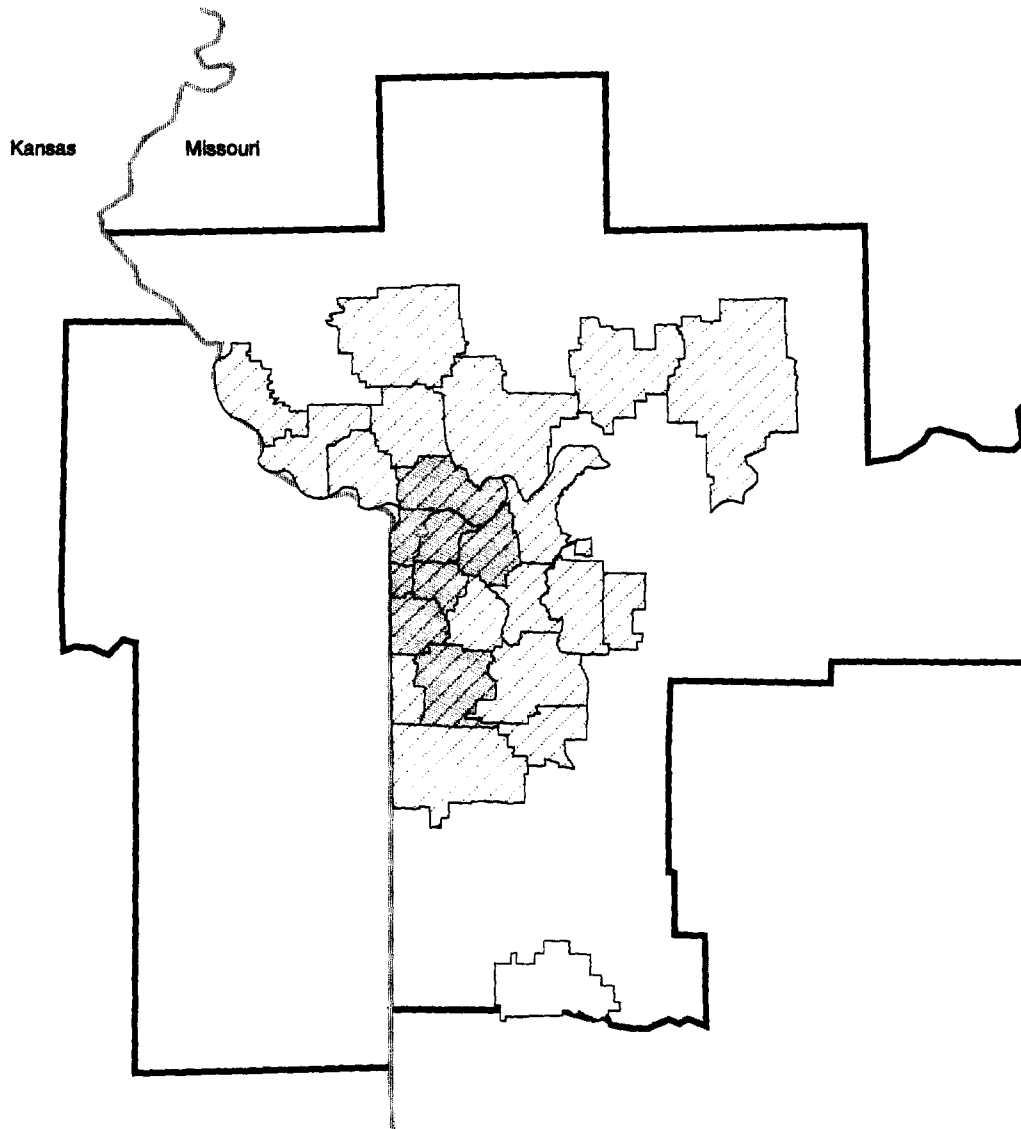
SBC Universal Service Study
Total Office Annual Switched Operating Margin

Report 9
December 14, 1998

Missouri	Residence			Business			Total Wire Center Switched Operating Margin
Wire Center	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Residence Operating Margin	Total Universal Service Gross Margin	Contribution from Vertical Services, Toll, and Access	Total Business Operating Margin	
	Report 8 : D	Report 8 : F + G + H + I + J	Report 8 : K	Report 8 : E	Report 8 : F + G + H + I + J	Report 8 : K	
	D	F	G	D	E	F	
194		\$10,063					
195		\$66,476			\$11,097		
196		\$326,050			\$118,073	\$100,794	
197					\$29		
198		\$845,520			\$352,445	\$171,566	
199		\$62,972			\$18,646		
200		\$209,600			\$79,105		
201		\$1,125,442		\$931,827	\$132,230	\$1,064,057	\$1,033,062
202		\$52,821			\$4,782		
203					\$749		
204		\$1,218,120		\$77,195	\$582,982	\$660,177	\$213,292
205		\$383,561		\$79,652	\$55,379	\$135,031	
206					\$439		
207		\$13,058					
208		\$102,780			\$27,781	\$4,331	
209		\$9,501			\$19,408		
210		\$18,647					
Total	(\$286,011,072)	\$190,600,931	(\$77,410,162)	\$122,658,039	\$67,475,235	\$190,133,274	\$116,723,112

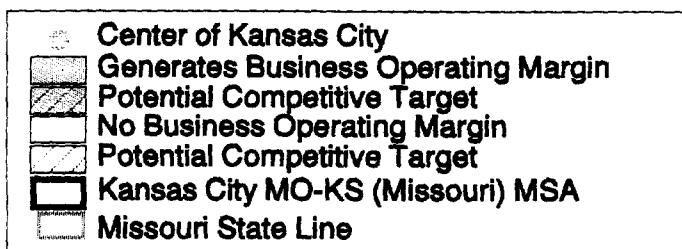
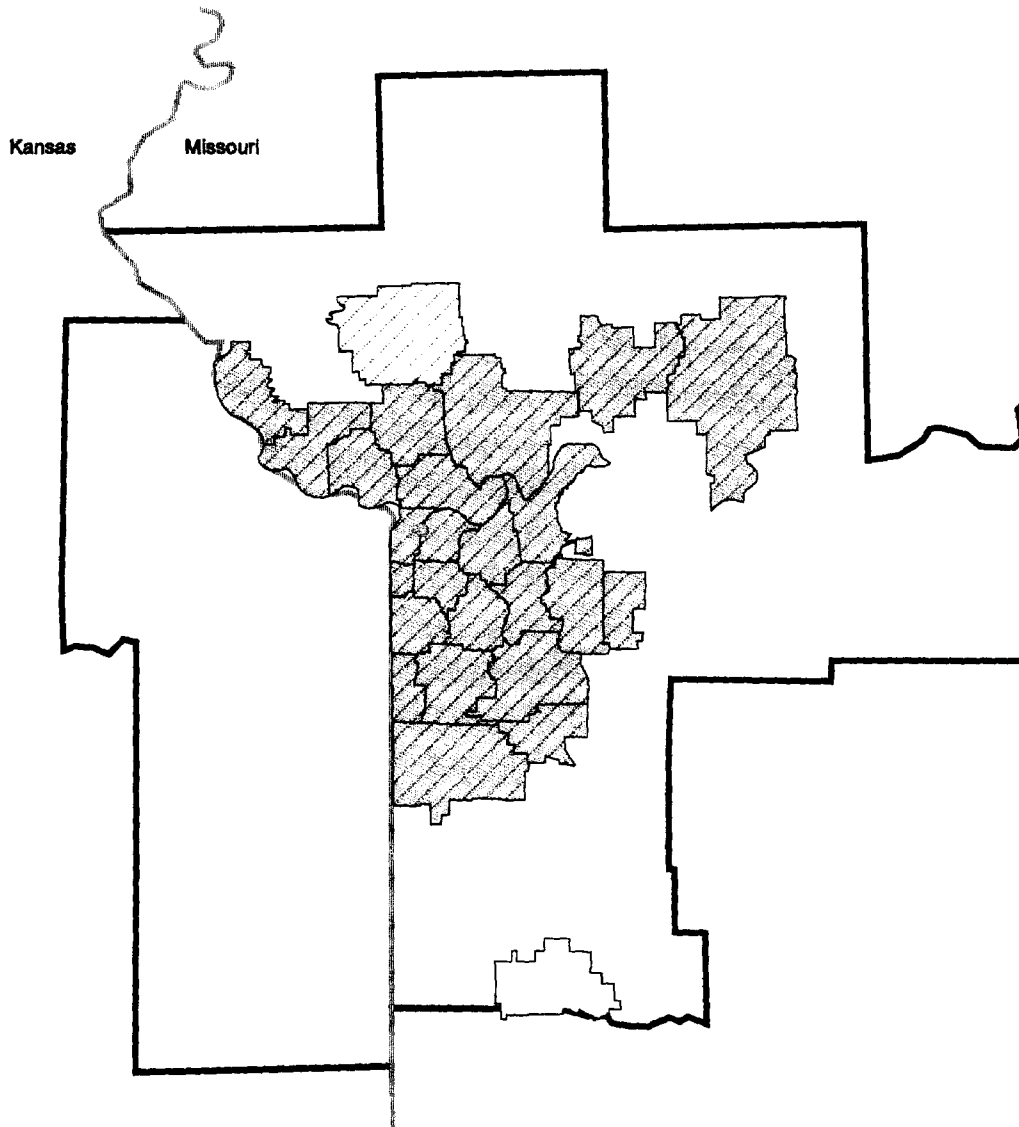
Residence Universal Service

Kansas City MO-KS (Missouri) MSA - SWBT Wire Centers



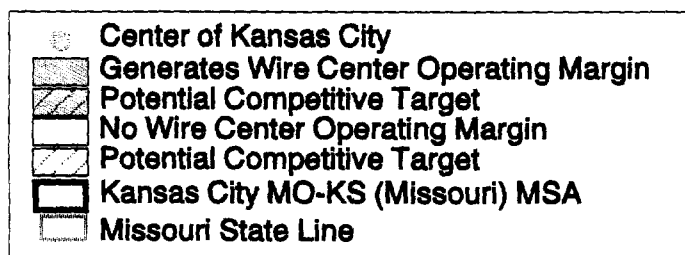
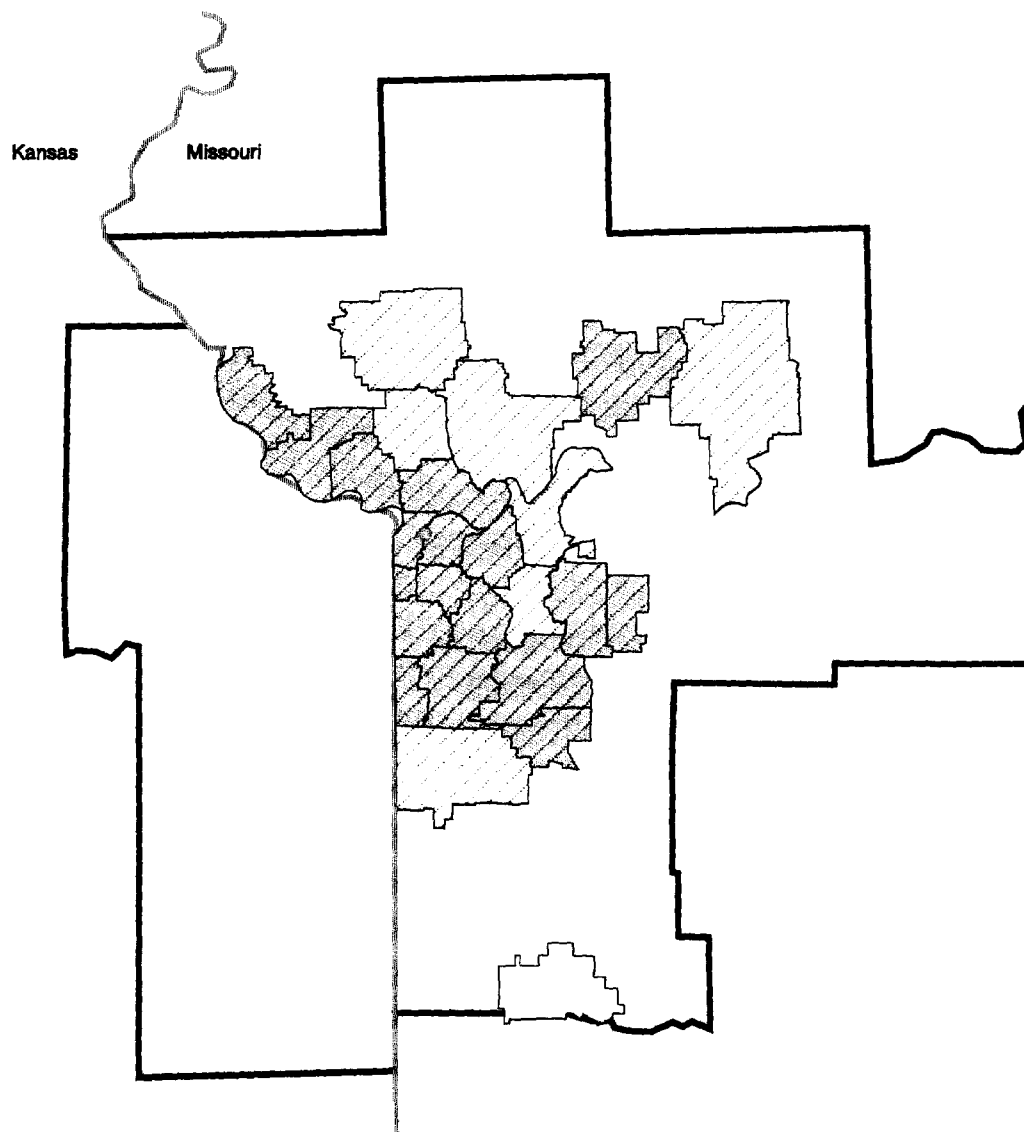
Business Universal Service

Kansas City MO-KS (Missouri) MSA - SWBT Wire Centers



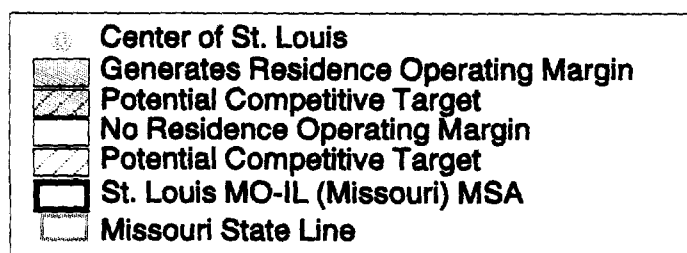
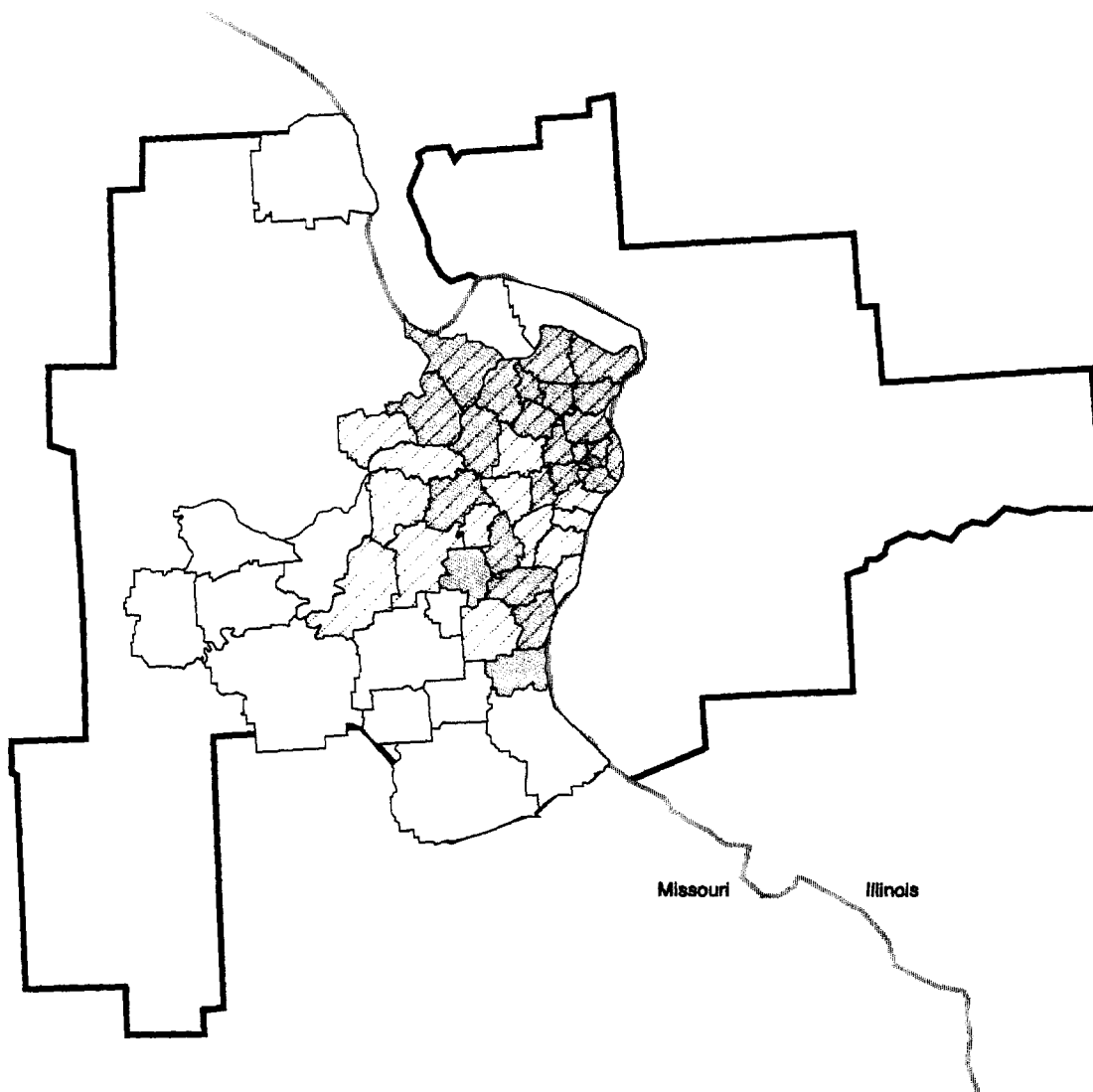
Residence & Business Universal Service

Kansas City MO-KS (Missouri) MSA - SWBT Wire Centers



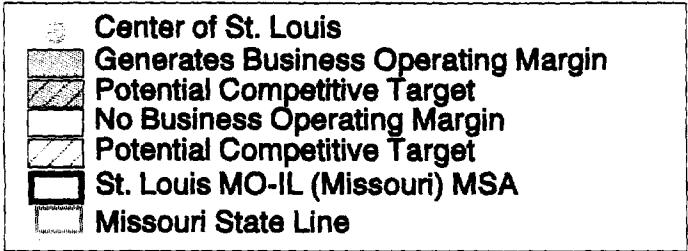
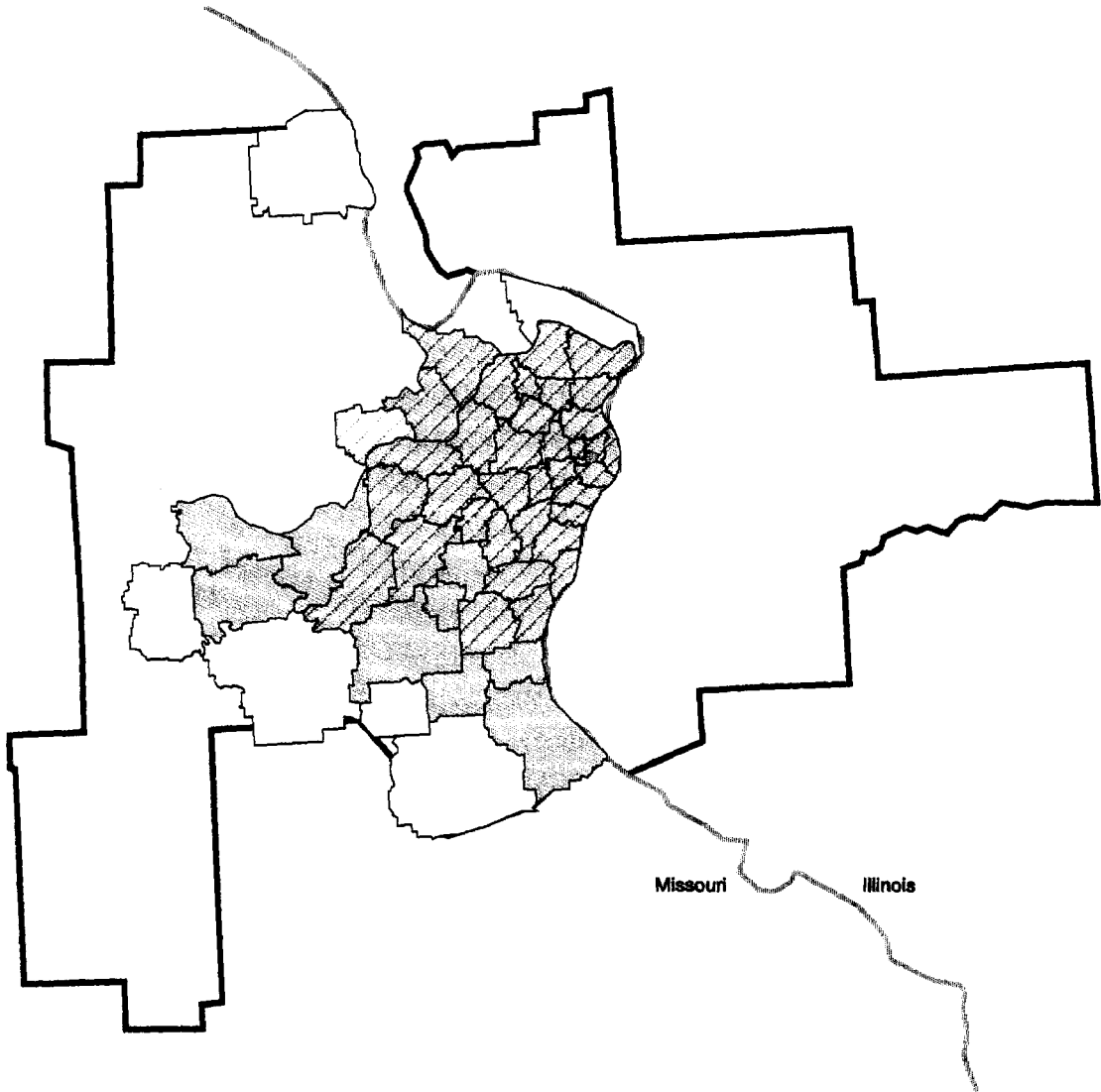
Residence Universal Service

St. Louis MO-IL (Missouri) MSA - SWBT Wire Centers



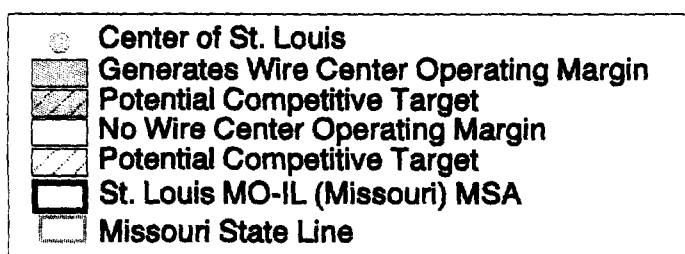
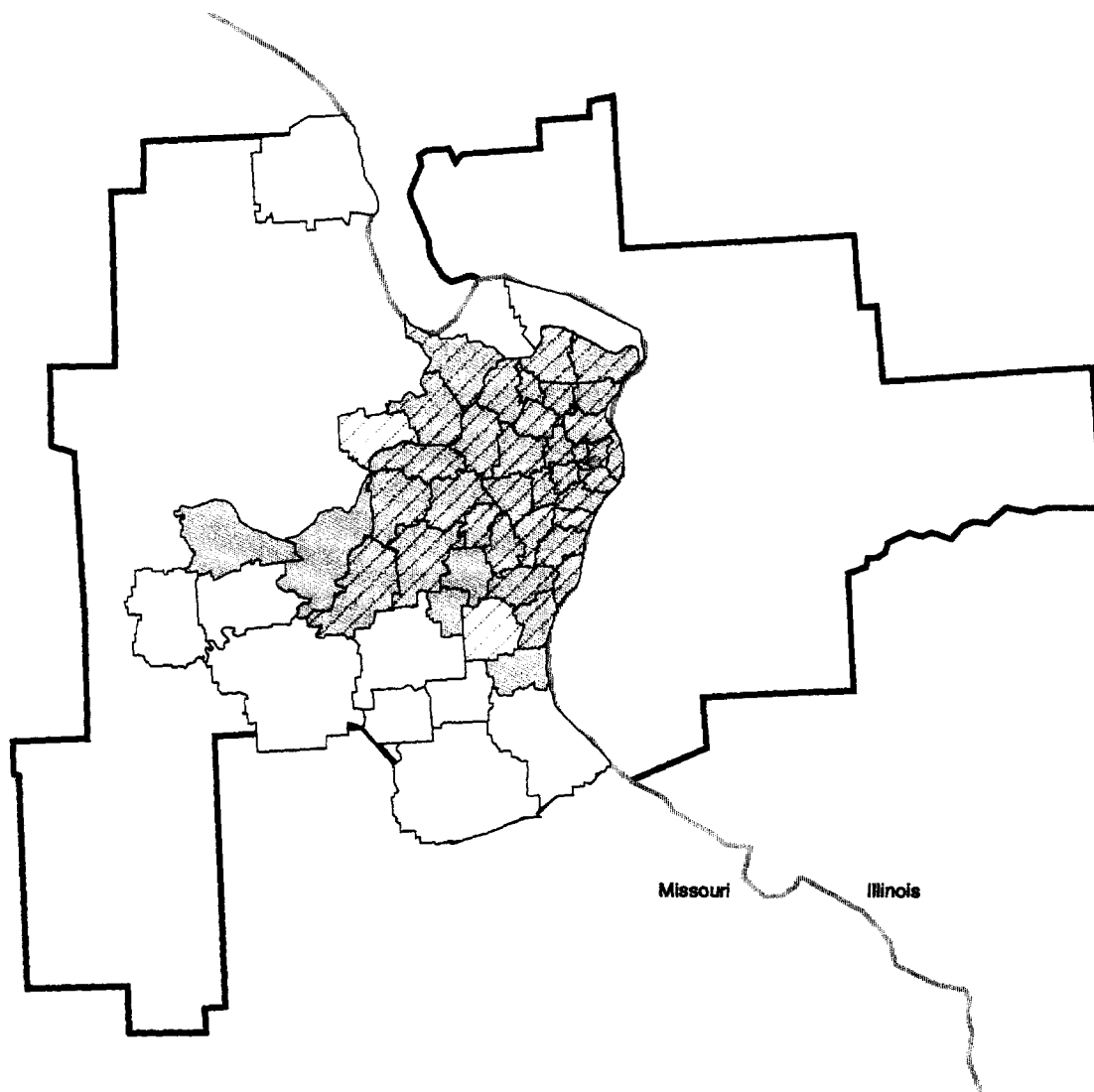
Business Universal Service

St. Louis MO-IL (Missouri) MSA - SWBT Wire Centers



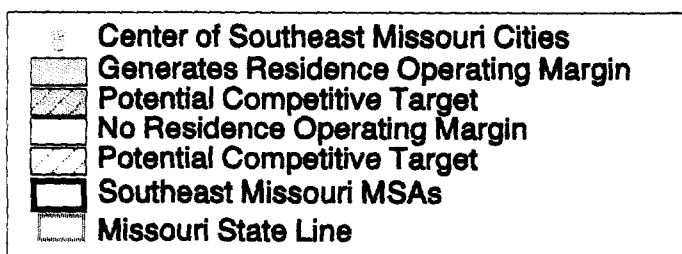
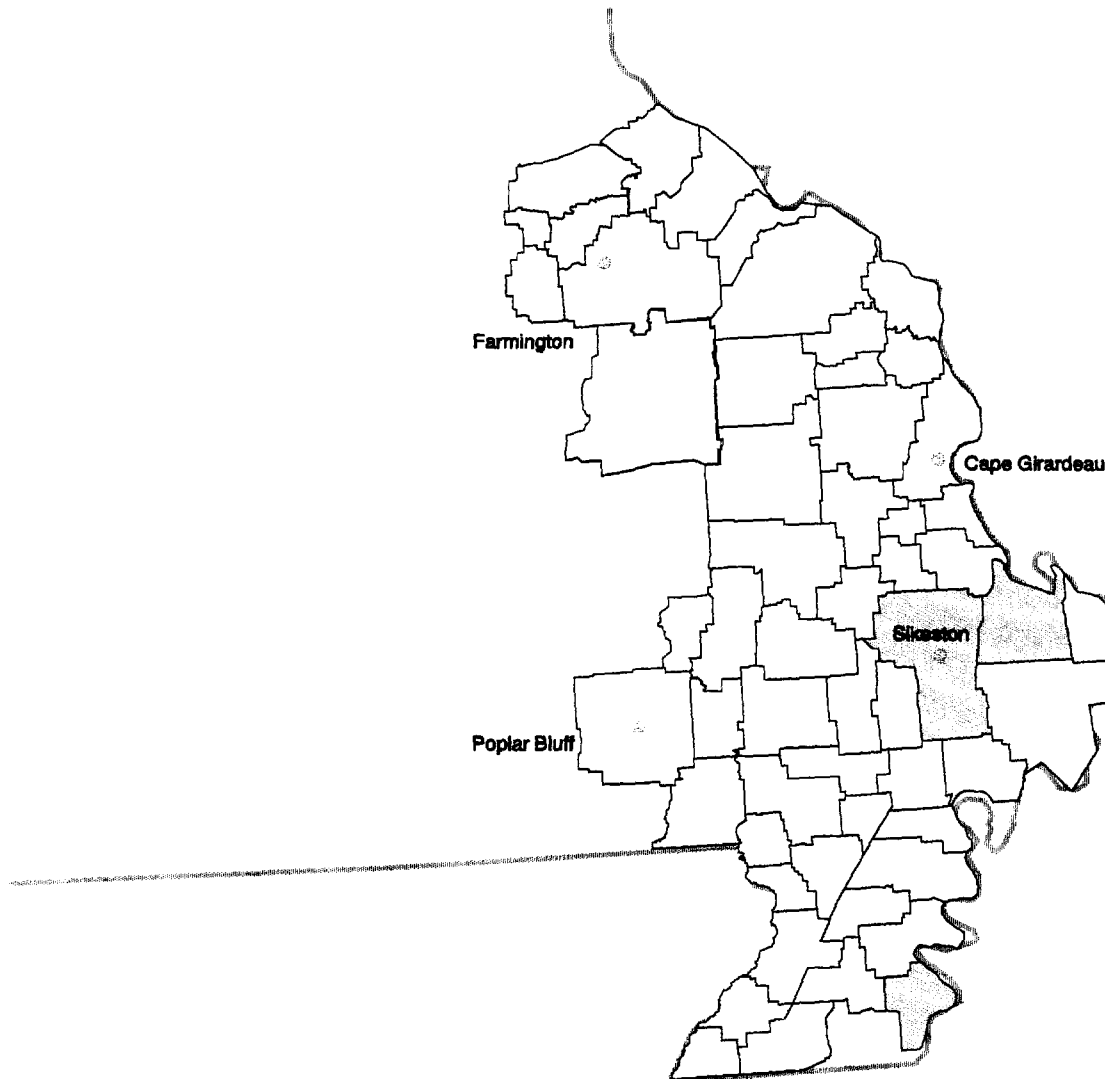
Residence & Business Universal Service

St. Louis MO-IL (Missouri) MSA - SWBT Wire Centers



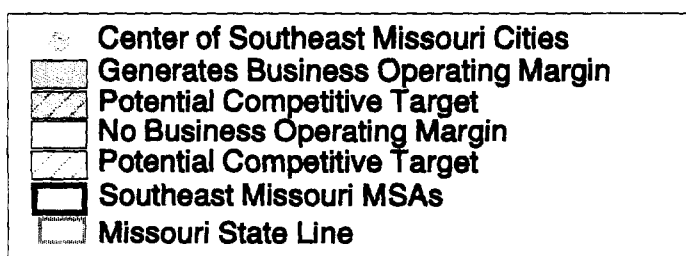
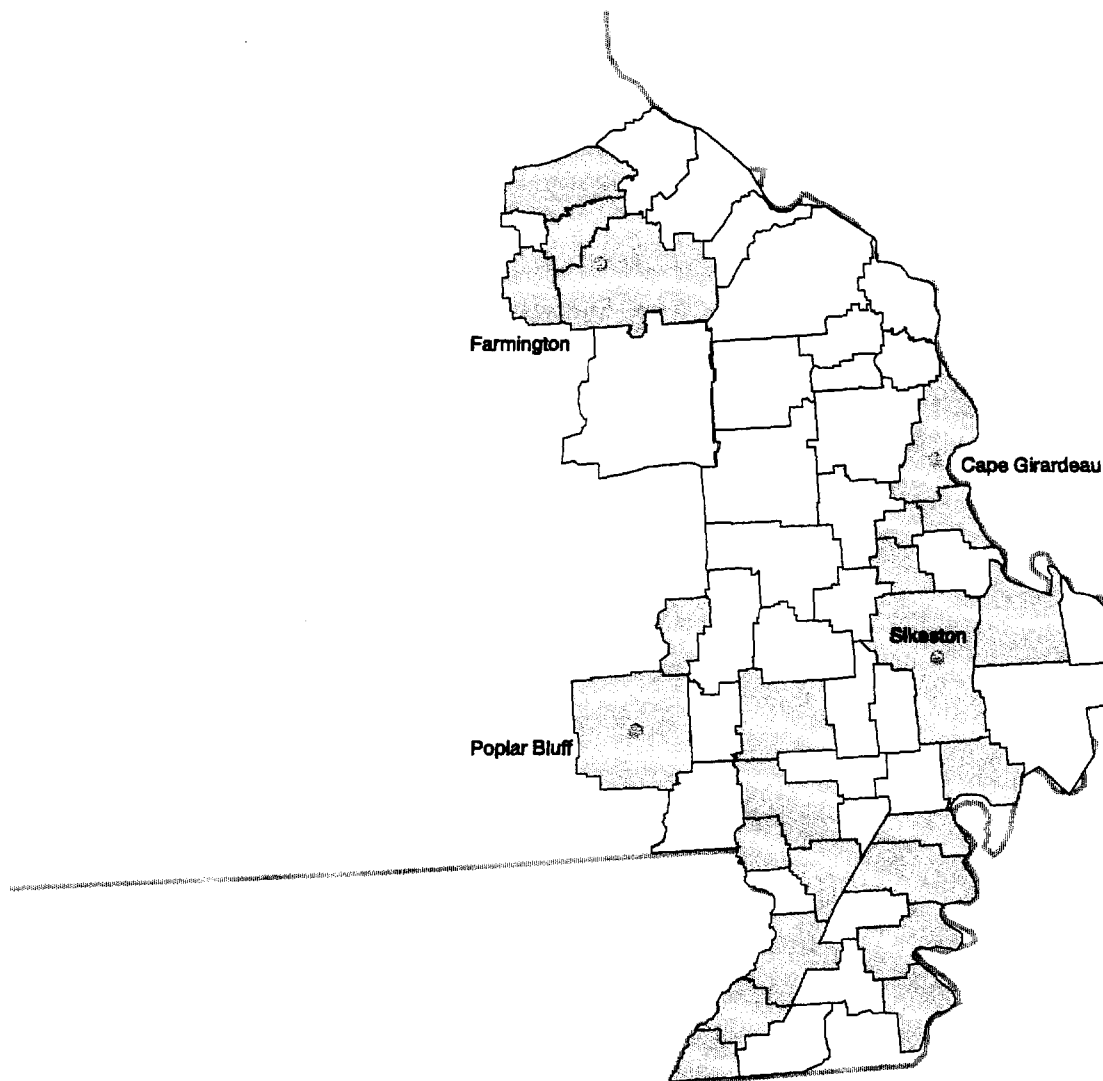
Residence Universal Service

Southeast Missouri MSAs - SWBT Wire Centers



Business Universal Service

Southeast Missouri MSAs - SWBT Wire Centers



Residence & Business Universal Service

Southeast Missouri MSAs - SWBT Wire Centers

